

BOARD OF MAYOR AND ALDERMEN

May 1, 2007

**7:30 PM
Aldermanic Chambers
City Hall (3rd Floor)**

Mayor Guinta called the meeting to order.

The Clerk called the roll.

Present: Aldermen Roy, Gatsas, Long, Duval, Osborne, Pinard, O’Neil, Lopez, Shea, DeVries, Garrity, Smith, Thibault, Forest

Mayor Guinta presented a proclamation to City Clerk Leo R. Bernier commenting on the significance of the position not just in Manchester, but in every municipality in New Hampshire. Mayor Guinta noted given the responsibilities we have insuring the first in the nation primary is a smooth process, clerks across our state I think do deserve recognition and I wanted to take this opportunity to read a proclamation.

PROCLAMATION

- Whereas,** the office of the Municipal Clerk, a time honored and vital part of local government exists throughout the world; and
- Whereas,** the office of the Municipal Clerk is the oldest among public servants; and
- Whereas,** the office of the Municipal Clerk provides the professional link between the citizens, the local governing bodies and agencies of government at other levels; and
- Whereas,** Municipal Clerks have pledged to be ever mindful of their neutrality and impartiality, rendering equal service to all; and
- Whereas,** the Municipal Clerk serves as the information center on functions of local government and community; and
- Whereas,** Municipal Clerks continually strive to improve the administration of the affairs of the office of the Municipal Clerk through participation in education programs, seminars, workshops and the annual meetings of their state, province, county and international professional organizations; and
- Whereas,** it is most appropriate that we recognize the accomplishments of the office of the Municipal Clerk,

NOW, THEREFORE, I, Frank C. Guinta, by virtue of the authority vested in me as Mayor of the City of Manchester, New Hampshire, on behalf of the Board of Mayor and Aldermen, do hereby recognize the week of April 29 through May 5, 2007, as

MUNICIPAL CLERKS WEEK

and further extend appreciation to our Municipal Clerk, Leo R. Bernier and to all Municipal Clerks for the vital services they perform and their exemplary dedication to the communities they represent.

S/Frank C. Guinta, Mayor

City Clerk Bernier thanked the Mayor for the recognition and thanked his staff and stated we are very fortunate to have them. Mr. Bernier noted they are one of the oldest agencies in any government and I think it was established in 1216.

4. Review and final approval of the City of Manchester's Emergency Plan.

Chief Kane noted that Dan Goonan who had been working on this had an operation and was not able to be here tonight. What we are looking for is an adoption for the emergency plan. You have had an opportunity to look at it, there were a couple of minor questions and we can certainly answer any more questions if anyone has any more questions on the emergency plan, but I think at this time we are asking for an adoption of the plan. I will also note that the plan is really alive plan and there is ongoing revisions to the plan as we go along.

Alderman O'Neil stated I will move on it, the Chief is correct we did have a presentation by District Chief Goonan, and Southern NH Planning, I have no problem moving on it because I know they answered the concerns but I have not seen the final document.

Chief Kane stated once we get a vote here tonight and get a final document in it's final form it will be published for everyone.

Alderman O'Neil so moved to approve the plan. Alderman Thibault seconded the motion. There being none opposed the motion carried.

CONSENT AGENDA

Mayor Guinta advised if you desire to remove any of the following items from the Consent Agenda, please so indicate. If none of the items are to be removed, one motion only will be taken at the conclusion of the presentation.

Accept BMA Minutes

- A.** Minutes of meetings of the Board of Mayor and Aldermen held on February 6, 2007 (three meetings) and February 20, 2007 (two meetings).

Informational – to be Received and Filed

- B.** Manchester Health Department Monthly Report Summary, April 2007.

- C. Communication from Brandy Stanley, Parking Manager, submitting information regarding the Manchester Place Parking Garage lease.
- D. Communication from Brandy Stanley, Parking Manager, submitting Pay & Display financial results.
- E. Communication from Senator Judd Gregg relative to the Citizens' Stamp Advisory Committee regarding the Cathedral of the Pines.
- F. Communication from the Manchester Historic Association advising that the Manchester Library, along with the City of Manchester, has been selected to receive one of the 2007 Historic Preservation Awards on Wednesday, May 9th at 5 PM at the Event Center at C. R. Sparks.

REPORTS OF COMMITTEES

COMMITTEE ON HUMAN RESOURCES/INSURANCE

- I. Advising that it has authorized the Airport Director to proceed with preparing an employee retirement/resignation policy for aviation employees and report back to the committee at a future meeting.
(Unanimous vote)

COMMITTEE ON LANDS AND BUILDINGS

- J. Recommending that ROW property located at the junction of Edna and Claire Streets be declared surplus of City needs and disposed of through sale to the abutter, Albert O. Delacey, owner of property at 80 Edna Street. The Committee notes that such property has value only to an abutter, and any other abutters have declined interest in purchasing such parcel.

Sale is recommended at a price of \$9,000, a price deemed reasonable by the Board of Assessors, and contingent upon all costs incurred by the City in subdividing the land shall be paid for by Mr. Delacey, the land acquired by Mr. Delacey be merged with the abutting parcel currently owned at TM853, Lot 49; and restrictions shall be contained in the deed to include appropriate language for non-building and development purpose as recommended by the Environmental Protection Division.

The Committee recommends that City staff be authorized to prepare and review any document relating to such transaction as deemed appropriate and the Mayor be authorized to execute any documents related to such disposition of property subject to the review and approval of the City Solicitor.

(Unanimous vote)

COMMITTEE ON PUBLIC SAFETY AND TRAFFIC

- K. Recommending that regulations governing standing, stopping, parking and operation of vehicles be adopted and put into effect when duly advertised and posted.

HAVING READ THE CONSENT AGENDA, ON MOTION OF ALDERMAN O'NEIL, DULY SECONDED BY ALDERMAN THIBAUT, IT WAS VOTED THAT THE CONSENT AGENDA BE APPROVED.

- G.** Communication from Comcast submitting the first quarter of 2007 franchise fee payment in the amount of \$332,841.94.

Alderman Gatsas stated the communication he had with the City Solicitor's office and I think Alderman Lopez when we had this discussion a few weeks ago, was to find out if we had the ability with the MCAM contract because they are the only place that we have delegated one percent of revenues and when the revenues go up they are getting an increase in the amount of money that goes to them without any consideration from anybody. I think the question we had was a discussion we had about whether that contract had the ability to be changed so that they could come in here on an annualized basis for a budget, and I have not heard back from him and I'd like to remove this and put it on the table until we can, well I guess we don't need to do my motion would be that we get an answer from the Solicitor's office regarding that contract.

Alderman Gatsas so moved to get the clarification and answer from the City Solicitor.

Alderman Lopez seconded the motion. There being none opposed the motion carried.

On motion of Alderman DeVries, duly seconded by Alderman Roy, it was voted to receive and file the communication from Comcast listed as Item G.

- H.** Communication from Patrick Corcoran, President of Corcoran Environmental Services, Inc., advising of the planned filing of the NHDES Standard Facility Permit Application for the NEWRCOR Material Recovery Facility that will be located at the City's Solid Waste Drop-off Facility on Dunbarton Road.

Alderman Forest noted there was comment about this in public session about Cocoran and things they didn't do, whatever, Cocoran took the time a few weeks ago to mail out letter to not only the abutters of this project, he also sent out letters to the people on Goffstown Road and everything else. There were only 40 people that showed up well the letters were sent. Contrary to what was said tonight there was some disgruntled neighbors there and some of the concerns were answered, some of them couldn't be answered and I heard a little bit about it but Cocoran has done their homework, has checked with the neighbors, whatever e-mails were sent to me or phone calls Mr. Cocoran or his staff has answered. If the abutters took the time to go out and see if they could find the information, why don't we wait until this comes to the Planning Board and the Zoning Board and they can voice their concerns there without making negative comments about a project that may work.

Alderman Forest moved to receive and file the communication. Alderman Roy seconded the motion. There being none opposed the motion carried.

- 6.** Communication from Mayor Guinta advising of the resignation of Kevin Dillon,

Director of the Manchester-Boston Regional Airport, due to his acceptance of a significant position at the Orlando International Airport.

Mayor Guinta noted he had distributed another communication stating as you all know Mr. Dillon accepted a position in Orlando, I think everybody on this Board shares the view that it is with extreme regret that we accept that resignation but this is an opportunity for Mr. Dillon and his family that ultimately he could not refuse and believe me I traveled to his office and tried to as convincingly as I could keep him here with some additional I think things that are certainly warranted for him but he did advise me that this is in the best interest of his career and his family so we certainly wish him the best of luck and would expect that we will have additional new flights from Orlando to Manchester, that is one of the conditions I think of his leaving. He will be here through mid-June, so he is not going anywhere at the moment he has expressed his willingness to work with me and this Board and our city to insure that there is a smooth transition and that the next Airport Director is equally involved and indebted to our community. I did want to address to the Board what I thought was the most appropriate action, I want to make sure that the city and state recognizes the direction and action that we are taking as a city so I have issued this memorandum to the Board and I will read it for the public:

“As you know, Kevin Dillon has submitted his resignation as Airport director to accept the position of Deputy Executive Director with the Orlando Aviation Authority. I have accepted his resignation with regret and with sincere appreciation for his past efforts on behalf of the airport and the City. We wish him well in his new endeavor.

In the wake of Kevin’s resignation, I have appointed Michael Farren, Assistant Airport Director for Finance and Administration as Interim Airport Director while the City conducts a national search to select a new airport director. I have asked that Kevin prepare a Request For Proposals that will be issued to secure an executive search firm to assist I this process. All costs associated with this search process will be funded through Airport revenues.

I have also asked Kevin Dillon to coordinate the selection of the appropriate search firm for this assignment. Further, Kevin has agreed to assist the City in this effort, following his departure in June.

Once an executive search firm has been selected and qualified candidates for the position identified, I will convene a Selection Committee to assist me in choosing the best candidate for the City. The Selection Committee will consist of the following individuals:

Mayor Frank Guinta
Former Airport Director Kevin Dillon
Alyson Pitman Giles
City Human Resources Director Virginia Lamberton
MAA Chairman Gary O’Neil and Board Member Steve Young (Londonderry representative)
Robert Dastin, Esq.
Michael McCluskey
Former Mayor Raymond J. Wiecezorek

I will keep the Honorable Board updated as to the progress of the search.”

Alderman O'Neil stated because of the importance of this position would it make sense that there is an alderman involved.

Mayor Guinta stated I've considered that and I've decided that the most appropriate course of action would be the names listed here. So this Board will eventually be part of that process and look forward to working with the Board to make sure that we select the right individual.

Alderman O'Neil stated I would just like to say I know in the past when the aldermen have not been involved there has been problems with nominations so I just want to make it clear that without aldermanic approval I'm going to have some real hard questions when a recommendation comes forward.

Mayor Guinta stated I wouldn't expect anything less.

Alderman O'Neil stated some of these people, there are private citizens that don't even live in the city of Manchester. I think at least one alderman should be on and I leave that up to you and the Chairman to work out, but if you don't feel that way you don't feel that way I guess. I am disappointed to hear that.

Alderman Thibault stated I have been here a while and let me just say it's always hard for us as a city, as a Board of Mayor and Aldermen, to see a department head leave, but when we have the quality of department such as what is leaving now I just want him to know he has the feeling of the Board behind him and we wish him luck.

Alderman Lopez stated I don't know that now is an appropriate time but I will say it anyway, have you considered having this a contract or maybe changing the city charter because the airport is a specialized field. We have had communications from the airport commission asking us if we would consider the airport is a contract basis as they do throughout the country. I think there has been public testimony so I just wanted to make sure that you might have taken that into consideration before we do all the work going out.

Mayor Guinta stated he had taken that under consideration as you know Section 3.05 of the Charter unfortunately at the moment precludes us from entering into a contract with a department head. My recommendation at some point in the future to this Board will be to put a question on the ballot allowing us to enter into a contract with future airport director, because I do see the position as a very unique position, one that is important not just to the City and to Londonderry but also to the State of NH and we need to insure that any future individuals that are running the airport are locked up for a long term so that is a recommendation that I will be making to this board.

Alderman Lopez stated I think with Mr. Dillon leaving in June and we have a primary in September I think that might take that into consideration and make that before the search committee goes out and maybe make it a contract , by the time they get done it would probably be September before they select anybody.

Alderman Shea stated I want to reiterate what Alderman O'Neil said I believe it is very essential you have expertise on this Board, you have two State Senators, you have other people serving in the Legislature, and I truly believe that there should be an aldermanic representative because so often nominees come to us and we don't know exactly what has transpired as far as the interviewing of the persons whose available, who isn't available, etc. So I think that because we are a voting Board there should be some representation, and looking through this distinguished Board of course of either former mayor or people representing different agencies within the city I do believe that it is very essential. We've run into this problem many times and I think it is very incumbent upon you as the Mayor to assign an alderman to this committee.

Mayor Guinta stated I appreciate the aldermen's interest and willingness to participate, the charter is very clear that some of the roles that I have as a mayor and the role that the board has in it's hirings. So I have respected it. When the Board has chosen not to include me in important decisions because by Charter you have that right and responsibility, I have listened to the requests of the Board and I did take them seriously with respect to creating this committee but I think this is in the best interest of the city and this Board will either confirm or deny the person that is brought forward and I certainly anticipate this Board taking that responsibility very seriously. Just with other appointments that I have had you will have every opportunity to meet and vet the candidate that is brought forward but I have every confidence in this group and in the Board of Mayor and Aldermen to make the right decision.

Alderman O'Neil stated if the Board felt strong enough about this we could vote to set up a special committee.

Solicitor Clark stated under the charter this Board can set up a procedure to be followed in filling the department head positions, however the Charter does say that the interviews will be conducted by the Mayor.

Alderman O'Neil stated but the Board could set up a special committee to review operations including the director's position at the airport.

Solicitor Clark stated this Board can always set up committees.

Alderman Garrity stated we just recently hired a Finance Director for the City of Manchester, probably one of the most important positions in the City, and the Mayor was not

even consulted with the candidates or the interview process or the nominee. So the Finance Director is an appointment of the Board of Aldermen. The Mayor nominates department heads. So if we want it both ways, then let's do it both ways.

Alderman O'Neil stated he completely understood the Charter.

Alderman Garrity stated but if we are going to play it both ways.

Alderman O'Neil stated I completely understand it thank you.

Virginia Lamberton, Human Resources Director, stated just for your information the Board has approved a procedure for filling department head positions, as well as a procedure for filling City Officers, they are two distinct policies. I don't have a copy with me tonight but the policy is being followed.

Mayor Guinta requested Ms. Lamberton forward copies of the procedures to the aldermen over the next week or so.

Alderman Roy moved to accept the resignation of Kevin Dillon with regret. Alderman Gatsas seconded the motion and asked all to thank Kevin. There being none opposed the motion carried.

Nominations to be presented by Mayor Guinta, if available.

Board of Registrars

Maureen Lillis to succeed herself, term to expire May 1, 2010; and
Jean Thornton to succeed herself, term to expire May 1, 2010.

Planning Board

Michael Landry to succeed himself as an Alternate, term to expire May 1, 2010.

On motion of Alderman Forest, duly seconded by Alderman Thibault it was voted to suspend the rules and confirm all nominations as presented since all were succeeding themselves.

Confirmation of the nomination of Sean Owen to succeed Kathleen N. Sullivan (resignation) as a member of the Manchester Development Corporation, term to expire March 11, 2008.

On motion of Alderman Thibault, duly seconded by Alderman Thibault, it was voted to confirm the nomination of Mr. Owen as submitted. Alderman Roy was recorded as abstaining.

9. Confirmation of the nomination of Robert J. Haley to succeed Peter

Favreau (resignation) as a member of the Fire Commission, term to expire May 1, 2009.

On motion of alderman Shea, duly seconded by Alderman Garrity, it was voted to confirm the nomination of Mr. Haley as submitted.

10. Confirmation of nominations to the Planning Board as follows:
Richard Molan to succeed Kevin McCue (term limited), term to expire May 1, 2010;
and
Daniel Pinard to succeed Richard Molan as an alternate, term to expire May 1, 2010.

On motion of Alderman Pinard, duly seconded by Alderman DeVries, it was voted to confirm the nominations as presented.

11. Communication from Alderman Lopez advising of the establishment of a Special Committee on Parking (in the vicinity of high schools) consisting of three Aldermen as follows:

Special Committee on Parking (in the vicinity of high schools)

(First named is Chairman)

Aldermen Duval, Thibault, DeVries

Alderman Lopez noted in response to the Board's request at the last meeting he was presenting information regarding the committee assignments Alderman Duval for Central High as Chair, who has chosen Alderman Thibault for West High, and Alderman DeVries for Memorial High as members. There was no action required, the item was informational in nature.

Alderman Roy noted that they seemed to be getting away from information on nominees and requested of the Mayor that resumes be provided on all nominations in the future.

OTHER BUSINESS

12. State Legislative update to be presented by Mayor Guinta, if available.

Mayor Guinta advised the update was provided in the package. There were no questions regarding the update.

13. A report of the Committee on Bills on Second Reading was presented recommending that Ordinance:
"Amending Chapter 70: Motor Vehicles and Traffic of the Code of Ordinances of the City of Manchester by inserting a new Millyard parking lot permit option in Section 70:54(B): Permit Parking In Lieu of Coin Deposit for various parking lots within the Millyard."
ought to pass and that the Board immediately adopt the ordinance under suspension of the rules.
(*Unanimous vote*)

Alderman Forest moved to accept, receive and adopt the report. Alderman DeVries seconded the motion for discussion.

Alderman DeVries stated she was hoping to ask the Parking Division to address the shift in revenues that they may see from this change of policy, and understanding that Ms. Stanley may not be prepared for the question, she asked if this was a recommendation Ms. Stanley concurred with and did she think they would see a loss or gain in revenue from the new policy.

Brandy Stanley, Parking Manager, stated she had brought this recommendation in response to a request by a Millyard tenant who had started a second shift and was looking for parking in a lot that was currently oversubscribed. But after 3PM there is always parking available in the parking lot because the regular day parkers start leaving. So this permit was a way to accommodate their parking needs for their second shift employees which is really why we did it. It's \$10 per month per permit. The number of permits that we are going to issue at this point is very minimal so there's not going to be any revenue lost, there will be a very small revenue gain, but mostly what it was intended to do was accommodate the expansion of a millyard tenant.

Alderman DeVries stated she was fine with accommodating the tenants but she didn't know if it was a net gain or loss for the enterprise.

Alderman DeVries moved to accept the report. Alderman Forest seconded the motion. There being none opposed the motion carried.

“Amending Chapter 70: Motor Vehicles and Traffic of the Code of Ordinances of the City of Manchester by inserting a new Millyard parking lot permit option in Section 70:54(B): Permit Parking In Lieu of Coin Deposit for various parking lots within the Millyard.”

On motion of Alderman Duval, duly seconded by Alderman Roy, it was voted to suspend the rules and place the ordinance on it's final reading by title only at this time without referral to committees. Alderman Gatsas was duly recorded in opposition.

The Ordinance was read by title only.

This Ordinance having had it's final presentation by title only Alderman Duval moved on passing same to be Ordained. Alderman Pinard duly seconded the motion. The motion carried with Alderman Gatsas duly recorded in opposition.

Alderman Gatsas stated I am opposed because Bills on Second Reading in referring it to committees is almost a joke, and either we put an ordinance in place that suspends those rules as I had suggested awhile ago because it doesn't make any sense with what we do here.

14. Ordinance:

“Amending Sections 33.024, 33.025, & 33.026 (Deputy Public Health Director & Public Health Preparedness Administrator) of the Code of Ordinances of the City of Manchester.”

On motion of Alderman Thibault, duly seconded by Alderman Roy, it was voted to read the Ordinance by title only and it was so done.

This Ordinance having had its second reading by title only Alderman Shea moved on passing same to be Enrolled. Alderman Forest duly seconded the motion.

On motion of Alderman Pinard, duly seconded by Alderman Smith, it was voted to recess the regular meeting to allow the Committee on Accounts, Enrollment and Revenue Administration to meet.

Mayor Guinta called the meeting back to order.

A report of the Committee on Accounts, Enrollment and Revenue Administration, was presented advising that Ordinance:

“Amending Sections 33.024, 33.025, & 33.026 (Deputy Public Health Director & Public Health Preparedness Administrator) of the Code of Ordinances of the City of Manchester.”

was properly Enrolled..

On motion of Alderman Pinard, duly seconded by Alderman Smith, it was voted to accept, receive and adopt the report.

A report of the Committee on Human Resources/Insurance was presented recommending that the City contract with CIGNA for health insurance coverage, effective July 1, 2007.

The Committee notes that such recommendation is base don responses to an RFP process with a financial analysis contained herein.

(Unanimous vote)

Alderman Gatsas moved for discussion. Alderman DeVries duly seconded the motion.

Alderman Osborne asked if all coverages were going to be the same, and deductibles are going to be the same.

Ms. Lamberton responded yes, everything has to be the same. As far as co-pays go, providers meaning doctors and hospitals, everything that we currently have has to be provided by CIGNA.

Alderman Osborne asked if all doctors will go along with this particular CIGNA like they do.

Ms. Lamberton responded the doctor's have contracts with CIGNA now.

Alderman Osborne stated everybody's doctor.

Ms. Lamberton responded right, and if by some fluke there is one person that has a doctor somewhere that we are totally unaware of then we will deal with that accordingly and make sure that those services are paid for by CIGNA.

Alderman Gatsas stated I want to commend Ginny Lamberton and Jack Sharry for the work they did. We started out with six bidders on this contract and narrowed it down to two so I would tell you that the fee that Jack Sharry gets paid certainly at least in this round of talks and negotiations was well worth it. We saved somewhere in the vicinity of at least \$1.4 million I think that maybe the savings could even be greater than that depends on what the runoff is going to look like for the two months going forward. So I think that certainly with what we have established here and I noticed that the School District is in the audience, and certainly if we are talking about a 2.4 million dollar savings on this health insurance plan I think it would behoove them to open up negotiations and take a look at their health insurance costs because I think it's the time that possibly there is an opportunity that the and I don't remember the increases were that they were looking at, but if we are looking at a savings from what was in the budget to less than what we paid last year. I would support the School District having Mr. Sharry, in the time of these tight fiscal constraints that we have certainly bringing him to the table and I'm sure that Mr. Sharry would offer his expertise if they were willing to listen and I would even sit down at the table and talk to those insurance companies, so there is an opportunity and I think that the school district should entertain it.

Alderman Shea stated I want to applaud Alderman Gatsas for reinforcing what I mentioned to this Board when your budget came out your honor, if you recall I stressed the fact how important Jack Sharry was to this particular city and I said to you at the time that \$30,000 or \$35,000 that you did not include in your budget was very essential and instead of saving the city a half million dollars he along with Alderman Gatsas and Ginny is saving the City \$1.4 million dollars. So next to that I think that 30-35,000 for a gentleman here that handles over 300 municipalities is well worth it. And I tend to agree with Alderman Gatsas that the School Department should in fact look into his working with them, because at one time it was my understanding that by working with Jack we saved about 4% and the city had to pay an addition 9 or 10% on that, now I could be wrong on that but he is an important person and we should value him and whether he works in contractual agreements or not he should be paid the amount of money that we are willing to pay to him for his services and I really think that Alderman Gatsas realizes that by working directly with him how important he is within the city financial situation.

Alderman DeVries stated I noticed that the last paragraph with content within it is stating that the contract must be implemented quickly to assure that all the insurance cards go out prior to July 1st. It makes we wonder how we are going to handle pre-authorization of procedures if there is any need to do that and what we are doing as a city to get the word out to the employees so they do not get caught in transition thinking that they have pre-authorized or approved something through one administrator, I realize that we pay the claims but I'm just wondering administratively if there is going to be any need to blend this procedure and what special efforts we are taking.

Alderman Gatsas asked that Mr. Sharpy address these questions.

Mr. Sharpy stated the alderman's question is relative to the transition period in general. WE have spent significant amount of time with CIGNA going over all aspects of the transition period starting with informing the union leadership and the employees through communications about what the change is and more importantly letting them know that there is no change in the level of benefits, or doctors or the hospitals they go to, that there will be an extensive period of time between May 1st and right up to July 1st that will be dedicated to education and to meeting with pretty nearly everybody in the city to bring everybody together so they understand these issues and to be available most importantly when additional questions come up. Any time there is a change of this significance obviously people have questions and concerns. I'm confident working with Ginny and very importantly with Alderman Gatsas that we have covered all of those issues, in fact we have a letter from CIGNA that says number one all of the benefits will be equal or better than the benefits that are offered today by Anthem and more importantly if anything slips through the cracks they will make sure that those issues are covered. In other words, if we missed, and I don't think we missed anything I can tell you the time that's been spent in, but we need to begin the process immediately of getting the word out to educate and to make sure that everybody understands that this is not a take away not a change of any significance other than a change in carriers.

Alderman DeVries stated thank you and I do notice that there is a change, maybe it's minor, but in the wellness program.

Mr. Sharpy stated I think the change in the wellness program frankly is a positive.

Alderman DeVries stated absolutely, I would agree with you and that was my comment. There are some very minor but beneficial changes.

Mr. Sharpy stated I would like to also say in the 300 municipalities that I do represent in New England, what really drives cost reductions is competition, and this process resulted in a very extensive and a nose to nose confrontation between two very strong, very well organized,

very professional organizations. I think what's happened in this position right from the beginning, from the time the request for proposals were answered as CIGNA came out up front firing with all cylinders, putting a network discount that they have at risk, saying that if they don't meet their network discount, that they have on paper, they will pay a penalty. That was the performance guarantees and the wellness guarantees and it's significant reduction in the administrative charges. Really opened this process up saying that CIGNA really is ready and willing and wants to work with the City of Manchester. In that process everybody wins, because monies that would have gone out the door are staying here in an important aspect of what you are dealing with, with your budget constraints, constraints that everybody in the country are dealing with. Health Insurance is a major, major issue and everybody in this community and in this room should feel proud of the fact that this process will result in savings but at no risk or expense to the employees.

Alderman Gatsas stated I think it's important that we understand that not only is the city saving money, but the contribution by the employees will change and be reduced by \$10 for singles on a monthly basis, \$20 for a couple on a monthly basis, \$27 for a family on a monthly basis. Not that it's a lot of money but is certainly moving in the right direction and employees are participating in the savings so it is not all benefiting the city, the employee is getting in on the front end and I think that's an important situation that we have, and I can tell you that CIGNA has put on the table a performance guarantee that I thought was very important that we don't have a problem with any employee in the city falling through the crack, and they backed that up with a \$50,000 number so it's not like they are saying that they are going to implement without a problem they are saying it is available and they are going to put \$50,000 at risk to make sure it works, so certainly I think that we need to move on this contract, it's something that we as a city have been waiting for a long time, and again we held their feet to administrative costs in year two at a 0 percent increase and in year three it's 3 ½ percent so I again applaud Jack's work and Ginny's work maybe I just baked him a little harder and they took it easy on them, so I want to thank them for their work.

Alderman O'Neil stated I too would like to congratulate Ginny and Jack and if Ginny deserves a lot of accolades here tonight, but one of them is finding Jack Sharry, I don't think Jack came to work for us until Virginia became the Human Resource Director so I want to thank both of them for their efforts. Alderman O'Neil commented on Dental asking if he did them and noting he heard more complaints about that then the health insurance.

Alderman DeVries commented Alderman Gatsas noted it was a three year contract, with no increase in the second year in the administrative cost which means that the only increase that we are likely to see next year will be truly reflective of actual claims. If there is an increase in utilization, so that helps us project over the course of three years, with a very minor increase of 3 ½ percent the third year, this is good news for the city and I'm ready to move.

Alderman Gatsas moved to accept, receive and adopt the report of the Committee. Alderman Pinard duly seconded the motion. There being none opposed, the motion carried.

Deputy City Clerk Johnson clarified that the contract would have to come back at a later date.

Alderman Gatsas questioned this as time was of the essence.

Solicitor Clark stated I understand time is of the essence but you have approved the transfer today, that is over and done with, the actual drafting of the contract needs to be done now and you can't approve a contract unless you know what the terms are inside it.

Mayor Guinta asked how long that would be.

Alderman Gatsas stated I understand that, but coming back it could be another two weeks, I think people are looking to implement this thing so that we get a transition by July 1 certainly if you want to call a special meeting to waive it and let the city solicitor and the mayor take a look at it.

Deputy City Clerk Johnson suggested an alternative to authorize the mayor to execute a contract subject to the review and approval of the City Solicitor that meets the standards set forth.

Alderman Gatsas moved to authorize the Mayor to execute contract once prepared, subject to the review and approval of the City Solicitor provided it meets the terms as generally outlined. Alderman Thibault duly seconded the motion. There being none opposed, the motion carried.

- 18.** Communication from Tim Clougherty, Chief Facilities Manager, seeking authorization to enter into a contract for the total amount of \$610,000 for structural repairs to the Hallsville Elementary School.

Alderman Shea moved to approve the request. Alderman Thibault duly seconded the motion. There being none opposed the motion carried.

- 19.** Ordinance:

“Amending Sections 33.024, 33.025, & 33.026 (Deputy Public Health Director & Public Health Preparedness Administrator) of the Code of Ordinances of the City of Manchester.”

On motion of Alderman Roy, duly seconded by Alderman Pinard, it was voted to read by title only and it was so done.

This Ordinance having had its third and final reading by title only, Alderman Osborne moved on passing same to be Ordained. Alderman Pinard duly seconded the motion. There being none opposed the motion carried.

TABLED ITEMS

On motion of Alderman Lopez, duly seconded by Alderman Shea, it was voted to remove items 20 through 31 from the table. None were recorded in opposition.

An overhead projector was set up and handouts were distributed to members.

Alderman Lopez stated thank you very much Your Honor. On behalf of the Aldermen today I am presenting an alternative budget that will in fact increase the tax cut originally proposed, and one that I believe will be endorsed by a majority vote of this Board. The amendments presented provide for more police officers, maintain the aldermen’s commitment to take drugs and guns off the streets, and maintain needed services for the residents of our city. First, we propose to add \$3.5 million in revenues from the Special Revenue Reserve Account to provide services, a resolution is being submitted, and we propose to amend budgets as follows:

CIP Resolution. Item #20 of the agenda
in addition to changes proposed by the CIP Committee

Increase City Cash \$71,000 appropriating
\$66,000 711108 Chronic Drain
\$5,000 810508 Employee Training & Development
 (City Matters newsletter)

PARKS ENTERPRISE Resolution (Item 24)

Alderman Lopez noted this has no bearing on the taxes, there is also a debt that we discussed previously we are recommending that we continue to fund this enterprise for FY08:

Increasing the resolution amount by \$1,048,854 for a total of \$3,301,964 with a directive.

Alderman Lopez stated I would note at this time that this fund has been there for twelve years. The directive is:

Directive
Direct the Finance Officer to work with the Mayor, to prepare a three to five year plan for elimination of the debt for the Parks Enterprise system, to be presented to the Board of Mayor and Aldermen for approval to inform bond counsel of the City’s plan of action to address the situation. Request the Mayor to work with the Finance Officer as soon as practicable regarding this matter.

SCHOOL DISTRICT Resolution (Item 26 of agenda)

- a) Approve change to Manchester School District Health Maintenance Expendable Trust allowing 80% I expenditures in any one fiscal year.
(*Resolution to be distributed.*)
- b) Adopt the school district budget resolution without changes.

OPERATING BUDGET Resolution (Item 28)

City Clerk Increase \$166,000/Total \$1,198,393

Allows for \$166,000 requested by City Clerk for elections, funding of positions, security, printing, postage, incidentals, etc. as determined by City Clerk.

Youth Services Increase \$11,000/Total \$529,733

Allows for EAP Lease

Police: Increase \$632,860/Total \$21,587,845 – subject as follows

- a) Special Projects \$341,000 to be utilized only for five additional new officers to bring total complement to 225 – cannot be utilized until complement is at 220 – covers salaries, benefits and equipment for 5 new officers.
- b) Special Projects \$291,860 to fight Drugs & Guns in the City

Highway Department: Increase \$760,000/Total \$27,378,889

- a) \$710,000 to allow for operations of department without bumping of personnel
- b) includes filling the compliance ordinance officer position
- c) Public Works Director to redirect existing personnel to have another sweeper operator for street cleaning
- d) \$50,000 for Traffic Division for new spray type equipment for street markings
- e) Department to comply with 4% salary reduction but is not subject to any freeze in positions/personnel.

Library: Increase \$25,000/Total \$2,406,159

Allows for West Side Library to have Security

Contingency: Increase \$100,000/Total \$350,000

- a) \$50,000 to be utilized for MCTV only if and when agreement with City that MCTV would get 2% of Comcast revenue and have a signed agreement like MCAM before 2009 budget.
- b) \$50,000 for general needs/services which may arise to be determined by actions of the Board.

Community Improvements: Increase \$71,000/Total \$1,689,429

Allows for changes to CIP Resolution

Alderman Lopez stated those are the changes we propose. I would like to thank all who worked very hard on this proposal to bring a more responsible budget with a larger tax decrease. Your Honor the following comments by other Aldermen if okay with you, you can call on them or I can call on them, they'd like to make a comment on some of the items. I had Alderman Duval, Roy, DeVries and O'Neil that wanted to speak.

Mayor Guinta recognized Alderman Gatsas first.

Alderman Gatsas stated I certainly applaud my colleague for at least thinking about a tax cut. Cause I think the last time we had a tax cut on the table we ended up with a tax increase. And certainly he was unaware of the negotiations on the health insurance and we still have an opportunity to do exactly what's been proposed before us if we remove the one time money of 3.5 million dollars which is really just smoke and mirrors. Because what we are

doing is saying to the taxpayer we are going to give you this year an additional tax reduction over the 5% that the Mayor has offered, but next year we are going to come and see you again for that 3.5 million because expenses aren't going to go down they are going to go up so you're the first door we are going to knock on. And I don't think that that's the right message we should be sending taxpayers in this city. Because we know that retirement is going to increase at the state level, we know that there is going to be increases in wages, we know that there is going to be an increase in benefits, we know that there is going to be increases in at least the line items where we talk about gas, heat and electricity in next year's budget. So to reflect and say that 3.5 million is something that we are giving back to the taxpayers really isn't being honest. It may be a Christmas present but Mr. Scrooge is going to come and visit next year for sure, and that will be long before Christmas. So we have an opportunity, we are within 140,000 of achieving a 5% tax reduction with the savings that we just saw in the health plan. Without using make believe money and say to the taxpayers we are going to come back and see you, \$139,000 is a number that we can still achieve. And still have a .5 reduction in taxes. Now the Mayor didn't know that the insurance savings was coming. Alderman Lopez didn't know it in the budget that he has put before us, but we now have it. And if we take that \$1.355 million and distribute in the line items you talked about with leaving the contingency at \$250,000 we have an ability to have a .5 reduction in taxes, an honest legitimate plan. So it's there and it's before us and not do it with smoke and mirrors, and come back to the taxpayer in a year and say guess what, we are going to take this money from you again, but we just haven't figured out how we are going to do it and so much for economic development. Now I don't disagree that we just hired a new economic developer, but those are some funds that we need to find out why we aren't using and why they are sitting in an account for an awful long time. Because if it is truly about economic development then let's find a way to use them. Let's not just sit there and wait for that South Willow Street project that always seems to get replenished somehow, that roof project that has this rainbow at the end of it, I think that we have an opportunity to talk about an honest tax reduction, not with smoke and mirrors, we are \$139,000 away. I'm sure if I went to Alderman Lopez and said in the \$1.4 million that you just saw in increases in departments could we find \$139,000 that could be removed and not have to worry about what's going to happen with retirement in next year's budget. Because I can tell you with the legislation that's before us in Concord, it could have some disastrous effects on this city.

Mayor Guinta stated the special revenue reserve account is in fact what we refer to as the economic development fund.

Alderman Lopez replied that's correct.

Mayor Guinta stated and you're suggesting that we take \$3.5 million in that reserve account and spend it as allocated here in the presentation.

Alderman Lopez responded spending some of it and sending some back to the taxpayers.

Mayor Guinta asked how much that would leave in that account.

Alderman Lopez stated approximately \$2 million with another \$3.6 million coming in for JacPac, that would be \$5.6 million for economic development, and also the Manchester Development Corporation has approximately \$1.5 million for economic development. And if I may continue Your Honor to answer Alderman Gatsas' remarks, I don't believe it is smoke and mirrors. I believe it's been smoke and mirrors that we continue to put money in economic development. It is this Alderman here that made the decision on the civic center, and we were told, we were told, that we were going to recoup all that money back from businesses. Well, let me tell you as everybody received the communication from a very highly respected individual with the members, we lost over \$7 million in taxes this last reval. So it's going to take a long time to recoup that. Even if we were to have got 50% we would had \$3 million. But we have been storing all this money away, for that great big building down on Bridge and Elm Street for an example that took about 12 years to build. So I think sharing the wealth and I agree with the Mayor on the tax cut, that sharing the wealth of that money being stored there and we are still going to have \$5 ½ maybe \$6 million more to do economic development in this city. If that's going to happen. So it's no smoke and mirrors. And to go back to what you said your \$1.4 million that you are speaking of, in the health insurance I commend you and I commend the people who did that. I would not recommend taking all that money and just giving it away and spending, because I believe the health insurance account right now is about \$500,000, I don't know the exact number \$517,000 was the last one I had but I'm sure the Finance Officer is sitting back there and can help us. I think the thing about just taking this money from the health insurance is not the right way to go. Because we are suppose to have a minimum of 25% in our account. That's over \$2 million in our health insurance that we are suppose to have. And if we only have 5 and we are going to put the money in there from the savings we probably will end up with 15-16% of the money that we should have in the health account in case something happens as we go down the road, and we've been in that situation before. I think before on our side of the city we take the reserves and we will be able to move this stuff around so I would not recommend taking that money because I believe we are going to need that as we move forward in the long range planning and budgets. And if the Finance Officer would like to comment as to what his recommendation would be so that we are hearing from an expert.

Mayor Guinta stated he wanted to get to Alderman Roy first, I want to get to any Aldermanic questions then we can go to the Finance Officer.

Alderman Roy stated my comments are just regarding the smoke and mirrors statement by my colleague. We have what we always refer to as a one time revenue account. That is a management tool because we have been selling or changing over some of our assets of the city. We are a very land rich city and when this is all said and done and two additional parcels that are on the market are sold, we will still have \$6.4 million for Jay Minkarah to go

and work with and create economic development. We are returning taxpayer funds. Taxpayers paid for these garages. Taxpayers paid for the land. We are returning taxpayer funds. To call it smoke and mirrors, fine. It's a revenue number that goes into our budget but if at the beginning of the day and the end of the day it was a taxpayer that paid for this and I personally believe that we should be giving this money back because on a historical basis, Center of NH, the garage was a sweetheart deal for those developers to get something going many years ago on that end of Elm Street. Then came the Verizon the deal was a little bit sweeter for the city but there was still some give on the city's behalf in the form of rooms and meals, again taxpayer dollars. We reaped some benefits from that and the former Center of NH. The Fischer Cats stadium comes along and we start having more of a bargaining position as a City. We have used those buildings and those projects to help us get to this point and it is time that the taxpayer receive some of that money back. Some of it is going to spending but quite a bit of it is going back directly to the taxpayer.

Alderman Gatsas stated well I guess I've got everybody's attention with smoke and mirrors. Cause certainly it's at least a topic of conversation. There is no question that I can't tell you what the wording on that fund is, but this Board should take a look at the wording and change it because do I believe that streetsweeper is public interest that's going to help economic development, you bet your life, there is no question. And some of those funds should be moved around and we need to get those funds out of there and get them working for this city. Because sitting in an account earning 3% doesn't make sense, but when we talk about repairing the Victory Garage we should take the money out of that account because that is economic development. Keeping in that garage in conditions that it's worth looking at. Changing Gold Street, we had a deal that was on the table should we be looking at that as economic development, yes we should because there is a piece of land sitting behind it that could be sold and developed. So those are things that we should be looking at. We are telling the taxpayer we are going to give you \$60 reduction in your taxes, but next year we are going to be back to get that \$60. Trust me that if you ask the people of the city they are going to tell you it's smoke and mirrors because you are taking it back from me. They understand that. If we let them live with a .5 % reduction in taxes because of the health insurance account. Alderman I don't disagree with you but there is 1.1 million we are putting in the run off that may be much less than that. So if you analyze the whole account I think we are in pretty good shape, because there is \$1.1 million it looks like the reserves is not going to happy to hit that number, Jack Sherry has left but he could probably answer that question. So I think those are the numbers that are there, but I remember Mr. Clougherty sitting in this room year after year for at least the last six years, when we used to ask him a question is this a wise use of money. His answer has always been no. So certainly I want to take a look and see what the new finance director would tell us today. Do you think that the 3.5 million giving back the people in a tax reduction is something that you would be telling us if it was your company.

Mr. Sanders responded no, it wouldn't be something I would be telling you if it was my company.

Mayor Guinta recognized Mr. Sanders to continue.

Mr. Sanders stated I would agree with Mr. Clougherty's assessment generally I think reserves have been established and every Finance Officer in Manchester and in other cities is going to be very prudent in how you would expend reserves. They are looked at by rating agencies as an important aspect of the city's credit rating, and so on and so forth and they provide resources in the event of emergencies and such situations where we may need the money. With that said I would point out the following couple of things. In this fund is the total value of about \$8 million, of which about \$5 million is in cash and about \$3 million is involved with the JacPac property. Assuming that the JacPac transaction sale settles or closes in the coming months there will be as I understand it approximately \$3.6 million that will be available to replenish this account, for the \$3.5 million that is being proposed to be taken out. So on a net/net basis in the near term we would have about the same amount of money in there. If there were development projects equal to the \$8 to \$11 million level maybe we should have more but I am not currently aware that we have development projects at that level so I can see some basis for making the removal. I would also add one last item about this which I mentioned to the aldermen over the last week is that any time you take one time money and use it to cover continuing ongoing expenses you are creating an issue for future Boards to look at and for future finance officers and mayors to find the money to cover. I think if you look at the proposal that the aldermen just went through a fair portion of the \$3.5 million is used to go to the bottom line to reduce taxes it is not used in its entirety to cover one time expenses. I would be cautious on that point on using it to cover any one time expenses.

Alderman Lopez asked if while Mr. Sanders had the floor could he capitalize on the health insurance that was mentioned as using the \$1.4 million that we passed tonight on the health that we are going to save as to the account of what we are suppose to have in that account and what we have so we are getting it from the Finance Officer.

Finance Officer Sanders stated we also have the savings of the \$1.335 on the health insurance side. Under the aldermen's proposal that line item would remain the same it is not being reduced by the \$1.335 million. So assuming that the projections that have been provided by CIGNA are correct, we close the Fiscal Year 2008 we would be making a transfer into the health maintenance reserve fund of \$1.335 million. The balance in that account today is about \$500,000 the city has drawn down on that account by about \$1.4 million in the last two years. This year we are expecting a small surplus, but there is still a couple months to go. It would be helpful to have the account replenished up to something in excess of \$1 million or \$1.5 million.

Mayor Guinta a couple of points, on the one hand this budget is advocating putting money into a one time reserve account and on the other hand it's advocating taking \$3.5 million or more than half of the cash in another account to cover operating expenses. Every finance officer will tell this Board, and I think it was fairly clear from this Finance Officer, and every mayor will tell you that using one time reserve account money for operating costs is not only not prudent, but it is very bad fiscal policy. The way I think and I don't want to diminish the importance of this Board's discussion about moving from and successfully moving from tax hikes to now tax cuts, because that is important it is something that we all agree now that the city desperately needs. But the way we get to a tax cut is just as important as getting to a tax cut. And getting to a tax cut in my view by using a one time revenue for operating costs is not only disingenuous in this budget cycle, because you remove the opportunity and in this case from the economic development account to sperm our economy, but you then have that one point almost six million dollars which is spent in operating expenditures in this budget which is 1% on the tax rate, so next year we are already 1% in the hole, before we even begin. Now last year the budget that was proposed by the same alderman, and adopted by this Board had a million dollars in revenue enhancements. Not one penny of those revenue enhancements were realized. We ought to learn our lesson from what just transpired in this current fiscal year. Because of that decision I have had to very seriously manage the expense side of the fiscal year 07 budget, and we are doing fairly well but I have to account for that million dollar loss. You are asking me essentially if this is adopted to not only do it for a million but to do it for a million and a half. And, I cannot in good conscience support that notion. The way I believe that you have to get to tax relief in this city is through restrained spending. That's not easy to do because it requires this Board to say no. It requires this Board to be more demanding of its department heads. It requires this Board to be more demanding of itself. But that's the job that we are here to do. That's the job that we were elected to do. And I know constituents would like all the services and would like tax cuts. And we have an obligation to do our very best to offer that. So I do applaud the Board for looking at tax reform and tax relief, but I cannot in good conscience endorse a proposal that essentially takes the one time revenue account and takes more than half of it for the sole purpose of spending rather than investing in our future. There is a big big difference between the two and I would encourage this Board to continue to work amongst its own members and with me to try to come up with a fair and reasonable solution. I think what Alderman Gatsas is suggesting with that \$1.3 to \$1.4 million that we now have in savings and let me reiterate I put in 4.5 percent increase in health care budget expense in this budget that turns out to be \$1.4 million too high. You should cut that \$1.4 million right out. And if you so choose because you feel that there needs to be some additional changes in the budget and I said I would be willing to work with you on those changes apply those changes. So there is no negative impact on the tax rate. But you can provide some relief in areas that this Board feels is necessary to move forward. And I would continue to work with this Board, I would continue to work with the department heads to manage those budgets.

Alderman O'Neil stated a decision has to be made tonight between an economic development reserve fund and city services and a tax cut. I look at the reserve fund, it is the

citizens money. That's how it got there to begin with. I also hear from those same people that help build that reserve fund they want more police officers on the street, they want their public works services, so in my mind I have to set priorities and couple of the areas I just want to touch on, we are probably I don't want to use the word historical but we are at a very special time with regards to recruiting police officers. I'm very, very pleased that we had the high number of applicants both non-certified and certified applicants. I haven't talked with the Chief this week, but I know even through the initial screening process of the first three phases we still have significant numbers. You move forward with w20, this is an historic time that we might take this up to 225, we hear that from the citizens regularly. Regularly, about police services. We heard it from some individuals this evening during the public comments. The Chief has said get me some more people and I'm not only going to increase patrols I am going to put more officers in community policing, I'm going to put more officers in our drug unit. We hear those concerns from the citizens. So I fully support because we have the number of applicants to do it, the 225 number, increasing police officers on the streets of Manchester. I fully support what can be referred to Deputy Leidemer used the term DAG, Drugs and Guns. This really hit home for me after Officer Briggs, the funeral of Officer Briggs, when I was talking to a federal agent who I happen to grow up with and I said to him we have a drug problem in the city and we have a gun problem. He said let me stop you right there, they're synonymous, where you find drugs you find guns, where you find guns you find drugs. They are synonymous. And the police department equates that to an increase in violence. So it's extremely, extremely important that we invest in the efforts and it's not going to be them driving up on a street corner and arresting somebody for guns or drugs, it requires undercover operations and just in comparison to what street sweeper was able to do during its time. We have seen 508 in the last seven years, in two years there are not statistics on, but 518 arrests, 136 warrants, very important number 49 guns taken off the street with that one program alone. They seized over a million dollars in currency and buys and they took drugs with a street value of \$1.8 million off the streets of Manchester. That's why I fully support this new special project called drugs and guns plain and simple. Comprehensive program get drugs and guns off the streets of Manchester. Finally just to talk about public works when I was a ward aldermen get calls, the ward aldermen here regularly, regularly about services that the Manchester Department of Public Works or Highway provides. There probably isn't a day that goes by that somebody at the Highway Department does not hear from at least half this Board. They need to have people to provide those services. That's loud and clear. And even as an At-Large Alderman here I hear that. Loud and clear that they want their services from the public works department. So I fully support, I applaud the aldermen who put the time in to work on this, and I plan on voting for this. The bottom line is it is the citizens money, we should provide the services and provide a tax cut.

Alderman Duval stated if I could focus just for a minute with regard to the \$3.5 million in increased revenues that Alderman Lopez is showing as an alternative to the Mayor's budget. It appears just quickly to be about half of that number that is dedicated to providing essential

services or maintaining essential services to Manchester residents and about half in the form of a tax cut for Manchester taxpayers. I'm learning quickly that oftentimes in this rough and tumble business at City Hall that you are not always faced with the best alternatives sometimes you have to live with selecting options that aren't 100% of what you would like to support. But when I take a look at what the proposal contains I have to also measure what we are getting in return for enhancements or at least maintaining essential city services. As I indicated to Alderman Lopez when he phoned me last week to have input into what he was trying to propose subsequently with Mayor Guinta, I expressed to him what I was looking to find in increased funding for essential services at least for Ward 4 residents. I indicated that it was essential that we give the police department essential funding to accommodate their request for police officers in the amount of 225, and I think it's essential that we move on that as quick as possible I think that's a priority for the residents of Ward 4 so I am speaking on their behalf, that's one of the key components to any budget that I am willing to support. Additionally funding at a sufficient level for Highway Department services is key, I can't tell you the number of days I get home from my office and I find a half a dozen messages left and any number of them are usually with regard to situations that involve the police department and a call for increased services from the police department and/or highway department. Whether it's a call from a resident who has suffered a burglary, and who has been frustrated by a lack of sufficient or quick response time from the police department, or speed of vehicles on Bridge or Hanover Streets or cut through streets like Rhode Island Ave and Page Street, the list goes on and on for the services that Ward 4 residents are calling for day in and day out it is relentless. The same can be said with regard to the Highway Department. I get calls with regard to unkempt conditions in and around Central High School and the need for increased and additional frequency of street sweeping. I mentioned to Alderman Lopez last week that I preferred, it was a strong objective of mine to fund the waste trash compliance officer, I have heard debate repeatedly over the past 18 months and I am convinced that the funding of that position is essential in responding to needs within the most inner city part of our neighborhoods and I think it would add tremendous value to them, so again I am trying to balance and trying to be fair and reasonable with regard to this issue of taxation while responding to needs that come to my doorstep day in and day out. Mayor I'm sure you can appreciate that having been a former alderman. We have to balance all that out, so I don't object to what Alderman Gatsas is say, I don't particularly care for the way he phrased it, I understand where he is coming from. The Mayor has established a framework for this year's budget that I think can be applauded. I've support most of what he has proposed, I think it is prudent for this Board to be fiscally responsible. I think each alderman tries, and gives their best effort to be fiscally responsible, while again responding to the calls day in and day out from ward residents. And I got to tell you I don't get calls from people asking me to please cut services. I never hear that what I do hear is calls from residents to please increase services whether it be parks, police or highway. So that has to be balanced. Again, we have to focus, and doing away with the smoke and mirror thing Alderman Gatsas, if there is an alternative to lowering that number from that special account, let's hear it. I am willing to consider it. It really should be a constructive exchange of dialogue that results in

accomplishing what the Mayor has set out by way of combination of a tax cut and continuing to provide essential services to Manchester residents.

Alderman DeVries stated I'd like to comment that I think almost every budget that I have seen pass as an alderman, has had some utilization of one time revenues as a component. I believe this is the third time this account has been incorporated since I have been an alderman. Last year Your Honor yourself it was the health insurance revenues that were incorporated and that is what is being replenished as just suggested by our Finance Officer this evening, suggested that we replenish that account this year and further went on to tell us that utilizing the one time revenue account with a hit of \$3.5 million in the same year replenishing that account with new revenues of \$3.6 million will not be a devastating blow when our books are reviewed by our auditors. He is recommending that we do not spend the \$1.4 million but replenish that health insurance revenue. I'm sure if Alderman Gatsas or another alderman brings that forward we will have further discussion. But I just heard our Finance Officer loud and clear please replenish that trust that was spent last year and is incorporated in the budget, but this we will be replenishing in the same year is not such a bad deal when our books are reviewed. I think it is important that one of the big pieces we are funding is the Highway Department we have already heard the comments I think that is critical. Right there with Police, Fire and Schools is Highways. And as you just heard Dan O'Neil say we all get the phone calls we know how critical that is. To allow that department to have a bumping down of employees at the same time that we would have expected them to deal with a 4% tax cut, would have been very difficult. That is a moral breaker when you are in a department. We are replenishing them, they will still be working with the 4% tax cut, or very close to it, they will have a lean budget at the Highway Department. They will still have and do have concerns for a tough snow winter. We have to realize that as we pass this. But their employees will not have to be bumped down. They will manage their own accounts this year just as they did last year, they will not be subject to the freeze. They will manage it. And they will fill their vacancies as they need to to accomplish our requests and the citizens requests for full services. I just can't commend Frank Thomas any more. I'm sure every member of the Board agrees with me. He has been a diligent department head in working hard with very lean numbers from this Board year after year after year. And I applaud his efforts. The school budget I don't think we said enough about yet. We are asking them to find and utilize some of those one time accounts within, so that the budget that is passed so the number is not changing they will have significantly more to work with within the schools and police adding an additional five officers on top of the five that you were bringing, finally getting our complement up to 225 is a very responsible position for us to take as a city right now. Making sure that we have the money to fight crime on our streets. Drugs on our streets. We heard from individuals tonight prostitution issues, very important that we utilize those officers when they are available for the hiring. That we put them to work and help our residents maintain the type of city that they have become accustomed to over the decades and know that if we all work hard we can maintain. So I suggest that we pass the budget tonight as presented.

Mayor Guinta stated in fairness to some of the other aldermen, at least based on the comments that I heard earlier from Alderman Lopez, not everyone had seen this until about an hour ago. At the very least it would be reasonable to set a special meeting for a week from today, let aldermen take a look at it, and as Alderman Duval has said if there are other alternatives or proposals give some of your colleagues an opportunity to work with other members of the Board to try and come to a general consensus.

Alderman DeVries stated I appreciate those comments and I can't speak for every alderman on this Board I know many have had some time looking at the numbers working with several of us. I am ready to vote on this budget tonight. I'm ready to triple the tax cut and return the money back to our taxpayers and I am ready to accomplish that this evening.

Alderman Garrity stated question for the Finance Director, using \$3.5 million in well I guess it's about that, \$1.5 million in operating costs out of a one time account, will that have an effect on our bond rating with bond counsel.

Finance Officer Sanders responded individually taken on it's own it might have an impact although on a budget in institution as large as the city of Manchester I don't think it would have a direct impact on our credit rating. And the other point I would bring up is the replenishment with the JacPac money assuming that closes out that to the rating agencies our balance in this special revenue fund would be about the same. Actually a little higher.

Alderman Garrity stated I am looking at a resolution for the school district expending approximately 80% of their health trust. Approximately how much is that.

Finance Officer Sanders responded at the end of this year they will have about \$2.7 million in the trust and this would enable them to spend about \$2.1 to 2.2 million of that so it would leave about \$500,000 in the fund.

Alderman Garrity stated so in round numbers it's 3.5 plus the 2 million we are really putting ourselves in a 5.5 million dollar hole next budget season. I just don't see how in good conscience we can do that. I mean we are really going to have a tough role next year using \$5.5 million in one time funds to do this budget. It's not a road that I am willing to down, \$5.5 million next year just right off the top is something I am not willing to go down.

Alderman Shea stated during the recent re-evaluation as Alderman Lopez indicated the commercial and industrial properties were reduced by about 7 million causing people like myself and others who are residential property owners to have their taxes increase, to compensate for the reduction on commercial and industrial property. So as a result in words we as taxpayers who own residential property had to bear the burden because commercial and industrial properties were reduced in spite of the fact that at that time we had 5.5 or 5.6

million in a reserve fund. So that it is obvious that if you take \$3.5 million out and you add \$3.6 million in you are going to have the same the amount so that would cover each other as far as that is concerned. The second point is there has been previous discussions about using this account. Some aldermen have said in the past let's use this account to lower the tax rate. However, there wasn't that amount in it. If we were to add the \$3.6 million from JacPac, we will have \$9 million in that account. I mean \$9 million is a lot of money to have in one account which in essence we did nothing with \$5.6 million so what is the value of having \$9 million if we are not even using the \$5.6 million. This is taxpayers money and should benefit taxpayers. So how would the judicious use of this fund benefit every taxpayer. First, it will allow our bonding level to be sustained and still reduce our parks enterprise funding for at least this year. It will provide additional police officers to protect our streets against criminals. And I know in Ward 7 we need all the police we can get because basically there's been several crimes committed in Ward 7 in addition to Ward 4 and Ward 5. Maybe other wards don't have the same kind of problems that are encountered in these wards Ward 4, Ward 5 and Ward 7 as well as on the west side, so we need additional policemen. We have a chance to put additional policemen. You have encouraged this Your Honor. You have said you are a mayor that is standing up for protection of the citizenry of the city of Manchester. So you have identified yourself as a mayor willing to provide police protection. So basically you have a chance to provide this protection. Thirdly, I would say that it will help to maintain needed city services provided by the Highway Department. We went to Ward 7. You heard workers in Ward 7 indicate to you that they drove trucks for 32 straight hours, that there is no one to replace them on the second shift. As I mentioned previously, every person in Manchester in my judgement benefits from the Highway Department. They collect the trash, tomorrow they will be in Ward 7 collecting trash. They were in other wards today, they provide needed services for sewerage. I call them several times about backups for sewerage. I called them for other responsibilities that are incurred by the Highway Department. So basically the Highway Department is an important aspect of our community. The Library needs additional security on the west side. You heard people saying from west side Alderman Smith, Alderman Thibault has indicated they need protection because of rowdiness and so forth over in that section of the city. The third is the City Clerk's office they provided us with detailed information about how they couldn't provide necessary records and paper to compensate for paper and all the expenses that are incurred. And then we have Youth Services. Fourth, it will help reduce taxes by \$60 per household. I know I pay a lot more for oil right now. I don't know what the price of oil is going to be next year but I pay a lot more for oil right now, every expense that taxpayers are incurring in this city are because of different problems existing not on the state level but on the federal level. So if we can give taxpayers a \$60 reduction I am all for it. I supported your budget last year so I am not talking from the point of you or not. So I say the more we can reduce taxes for taxpayers this year the better we'll be off. And fourthly I would say that we have often heard the term that we are custodians of the peoples' money. And if we are custodians of the peoples' money then we will give people in Manchester a needed tax break and I'm sure Your Honor that you won't get many complaints from people if they call your

office and say instead of getting a 0.53% reduction and an \$18 tax reduction, we'll get a \$60 you won't get too much opposition.

Mayor Guinta stated what I would say to that is this. A couple of points. You and every member of this Board has heard me say it and the general public has heard me say it. The two priorities I think right now in this city are public safety and I think tax relief. I will hold every member of this Board to that policy since everybody seems to want to do it today, not just today, not just next year, but the year after that and the year after that and the year after that. If you want to work to truly provide tax relief I will work with you. But next year when I come to this Board and say we are \$5.5 million in the hole you are going to have to work with me to try and figure out how to fill that hole.

Alderman Shea noted to the Mayor that he would have to be re-elected next year.

Mayor Guinta stated absolutely right. And I think after being able to change the debate here about tax hikes versus tax cuts and knowing that the people in this city are looking for that I think I stand a pretty good chance. And I do want to stay here and work with people in this room. I can tell you I made my points earlier, the way you are getting to the spending is not the most appropriate way to do it. It's very, very simple, all of the services that you are talking about are services that we want to provide and there can be an alternative to that now that we have seen a \$1.4 million in savings in what I originally budgeted in the health account. But it appears that this Board doesn't want to give it's colleagues that opportunity to take a week, to take a day, I think that is a very short sighted view, and I am a little surprised that some members of the Board don't want to acknowledge the other members of the Board that haven't seen this budget, so that's a disappointment to me. But if this Board wants to take a vote take a vote. If you want to put your name on this take a vote and let's see what happens this year but I got to tell you make sure that you tell taxpayers that you are giving them a big tax cut this year, but you are taking it away next year unless you decide you want to work with me to fill that gap, and fill that hole, and believe you it's going to be my responsibility to have to present that budget, I'm telling you right now it's not going to be easy. I'll do it. But I'm going to ask that this Board continue monitor tax reform next year.

Alderman Lopez stated first of all let me remind you that last year, with all due respect, when you presented your budget you presented numerous revenues in the parking fund. The only revenue that was added was Alderman Gatsas' and my revenue of \$300,000, the \$600,000 never materialized. So any shortfall of revenue was because of your budget.

Mayor Guinta interjected let me stop you it was a million dollars.

Alderman Lopez requested to finish stating I had the floor.

Mayor Guinta repeated it was a million dollars it was very simple in black in white, shortfall in revenue that you projected own up to it.

Alderman Lopez stated if you want me to show you a document from Randy Sherman that if your budget would have passed period last year you're tax increase would have been 1.8%. That was the tax increase and because you didn't have enough revenue because you inflated revenue, our budget was 1.7 which became 3.5% on the budget side and 3.5% on the reval, those are the truths, let's stop, please I am trying be respectful to you as the Mayor up there, but let's start the truth going forward if you want to work with us. Those are the real numbers. Because I can give you the numbers, I have them right here, Parking Meters you had \$1.2 million in revenue you had \$400,000 expired meters, \$50,000 in building and \$200,000 in central purchasing. Now those are the facts I am not going to sit here tonight and argue about those that's another time for debate for anybody who runs against you and I'm not doing this for the simple reason of whether you think I'm running, or anything else I am telling you that those are the facts and you want to deal with the facts let's deal with the facts. Let's talk about what we are doing here as a budget. Every year, I have been here going on eight years, this is my eighth budget, every year there is a situation, every year there is a different problem. Next year is going to be a different problem. I don't look at this smoke and mirrors. We have obligations, we are running a city of 120,000 people we have obligations. And we have to fulfill those obligations. Everybody wants a tax cut, we understand that. But there is no corporation in this world that I know of that has a police force like we do that's paid by public funds, a fire department paid by public funds, no CEO runs a security like we have. A Highway Department that goes out there all the time. So we have responsibilities and services in this city that we have to provide for everybody. Not just a few. A tax cut, I'll take a tax cut any day. I don't want to pay any taxes.

Mayor Guinta asked if there was a point.

Alderman Lopez stated the point is let's start putting the facts on the table.

Alderman Lopez requested the Clerk take up the first resolution.

Deputy City Clerk Johnson stated I believe that Alderman Lopez is referring to the first resolution that was distributed with the package which had to do with the special revenue reserve account.

Alderman Lopez responded that's correct.

Deputy City Clerk Johnson stated if the Board desired the motion would be to read by title only.

“A Resolution authorizing withdrawal of \$3,500,000 from the Special Revenue Reserve Account to apply to FY2008 General Fund Revenues.”

Alderman Lopez moved to read the resolution by title only. Alderman Thibault seconded the motion.

Alderman Gatsas stated the amount that is in the resolution that you currently have is the one that has been distributed, the resolution that is currently on the table would be the budget that was proposed by the Mayor. Mr. Sanders can you please just give me a calculation of the numbers that I showed you that we could live with the Mayor’s budget resolution because the revenues and expenditures total that same 119,342,148 is that correct. The Mayor’s resolution is on the table. That’s what we removed.

Deputy City Clerk Johnson advised they were not addressing the Mayor’s budget resolution at this time.

Alderman Gatsas stated I understand, a parliamentary question, the resolution that was removed from the table contained a total of 119,342,148 that was the Mayor’s resolution, is that correct.

Deputy City Clerk Johnson stated that was item 28.

Alderman Gatsas stated I’ll ask the finance officer one more time, with the 1.355 million dollars that we saved in medical this evening and making the changes in the numbers that were proposed by Alderman Lopez which were an increase in those expenditure lines of 1,494,860, if we reduce those by 139,860 we would be back to the Mayor’s resolution, is that correct.

Finance Officer Sanders responded my calculations show that we would still be about 3 cents higher than the mayor’s calculation if we didn’t take the 3.5 million out of the special revenue account. Let me try to explain this simply. That 3.5 million that’s coming out of the special revenue account, 1.7 million of it is going to reduce taxes. If we replace the 1.7 million with 1.355 we have to make up another \$400,000.

Alderman Gatsas stated those are fungible dollars. That 3.55 you can’t tell me is going anywhere else other than in a total bucket of revenues and how those revenues are distributed are fungible dollars. So you can tell me that \$1.7 million is being dedicated to taxes, cause you can’t do that it is just fungible dollars in the total of the \$50 million that we see before us in revenues. They are all fungible.

Finance Officer Sanders responded I agree that they are fungible I was just pointing out...

Alderman Gatsas interjected okay so if we just leave them as fungible and we take that number and say that that number there is \$3.5 million more than the Mayor's revenue number, which is correct, then it's \$3.5 million that's on the table is fungible dollars. If we disregard those because it's based on the bottom line of property tax, if we took the Mayor's numbers, and instituted the \$1.355 million that we just saw in the medical savings it would still give us a tax reduction of .53%. Cause you are talking about fungible dollars on the other side. I'm dealing with the Mayor's number, not smoke and mirrors, the Mayor's number.

Mayor Guinta noted Alderman Gatsas had the floor and other aldermen were out of order to speak.

Mr. Sanders responded to Alderman Gatsas stating if you look at the Mayor's property tax number, \$160, 985,000. And that has a tax of \$16.70 attached to it. If you subtract \$1,355,000 from the Mayor's number you would have \$159,635,000.

Alderman Gatsas stated but the expenditure line items are going to grow by \$1.355, so it's a net of 160.

Mr. Sanders stated I don't have a schedule in front of me that shows the expenditure numbers just going up 1.355. If the expenditure numbers on this piece of paper went up 1.355 you would be correct and you would have the Mayor's budget.

Alderman Gatsas stated thank you.

Mayor Guinta requested clarification on the motion.

Deputy City Clerk Johnson advised the motion was to read by title only.

Mayor Guinta called for a vote. The motion carried with none recorded in opposition and the Resolution was read by title only.

Alderman Lopez moved to adopt the resolution. Alderman Thibault duly seconded the motion.

Alderman Lopez requested a roll call.

Alderman Duval requested a recess.

Mayor Guinta asked for what purpose.

Alderman Duval stated for the purpose of reviewing what Alderman Gatsas is referring to and what was presented.

Alderman DeVries stated that discussion should be in public session, and noted that there had been a call for a vote.

Mayor Guinta stated I assume it is within my right to call a recess, and asked the Solicitor for an opinion.

Solicitor Clark stated the Mayor can call for a brief recess if he wished, it was subject to appeal to the Board.

Mayor Guinta called for a five minute recess.

Alderman Lopez appealed to the Board. Alderman DeVries seconded the appeal.

A roll call vote was taken. Alderman Gatsas, Long, Duval, Pinard, and Garrity voted nay. Aldermen Osborne, O'Neil, Lopez, Shea, DeVries, Smith, Thibault, Forest, and Roy voted yea. The appeal was upheld and the meeting was continued.

Alderman Roy requested a clarification before voting.

Mayor Guinta asked for clarification from the Clerk.

Deputy City Clerk Johnson advised they had a motion and second to adopt the reserve fund withdrawal resolution on the floor and there was a roll call requested.

Alderman Roy stated with all due respect to Alderman Gatsas' numbers that came out tonight regarding HR, our discussion.

Mayor Guinta asked if this was a clarification.

Alderman Roy stated yes, I need to know where this money goes. The \$1.355 million if this money is not incorporated in this budget where does that money end up. Fund balance for use for next year, so any other revenues whether it be adequate education numbers additional tax base, reduction of overlay, all of those additional revenues that we get year after year, between now and October end up in fund balance is that correct.

Mr. Sanders responded that was correct. They will become an excess revenue and they will go into fund balance and then half the rainy day fund and half to tax rate.

Alderman Roy stated then I would stand by my statement earlier that we have an account to return to the taxpayer as revenues come in they can offset next year's discrepancy as the Mayor said it, but we still have additional tax base every year we had \$5 million this year that the Mayor used in his budget.

Alderman Garrity noted that he found it hard that they could not take a five minute recess, there are some aldermen that just looked at this budget an hour and a half ago, and I just can see why my colleagues would not allow that, it sounds like a bullying tactic and I know my colleagues better than this.

Mayor Guinta stated unfortunately alderman it is not the will of the Aldermen, and requested the Clerk to proceed with the roll call.

Alderman Garrity asked what the motion was.

Deputy City Clerk Johnson advised to adopt the reserve fund withdrawal resolution.

A roll call vote was taken. Alderman Lopez, Shea, DeVries, Smith, Thibault, Forest, Roy, Long, Duval, Osborne, and O'Neil voted yea. Aldermen Garrity, Gatsas and Pinard voted nay. The motion carried.

Alderman Lopez stated in respect to other colleagues he would ask for the five minute recess.

Mayor Guinta rejected the request stating the Board would move on.

20. Appropriating Resolution:

“Approving the Community Improvement Program for 2008, Raising and Appropriating Monies Therefore, and Authorizing Implementation of Said Program.”

On motion of Alderman Lopez, duly seconded by Alderman Forest, it was voted to read by title only and it was so done.

Deputy City Clerk Johnson stated if she understood what was presented this evening and what was presented in the CIP report as reflected in the attachment in Item 20 accepted at the last meeting of the Board, all of those recommendations were accepted by the Board, and there were two additional changes which were presented in the handouts distributed earlier this evening for increasing city cash for \$71,000 so we would also need to increase the amount reflected on page 2 of the resolution from 1,618,429 to 1,689,429 and change the city cash table to include the chronic drain at 66,000 and adding 5,000 to employee training

which was already contained in the CIP report. So we would look for a motion to amend the resolution by those amounts.

Alderman Lopez so moved to amend the resolution as follows:

to provide for reallocation of \$197,000 in cash funding and increasing cash funding by \$71,000, \$75,000 in CDBG funding and adding \$20,000 in Central Business District Revitalization Funds (CBDRF) as follows:

Amend Page 2, paragraph 3 of the resolution by *substituting \$17,189,511* in federal, state and private grant funds for \$17,489,511;

Amend Page 2, paragraph 6 of the resolution by *substituting \$1,689,429* in FY2008 municipal funds for 1,618,429

Amend Tables as follows:

Table 1 – Federal, State, Other Funds

Remove:

510608 Rockingham Recreational Trail - \$320,000 State

Increase:

510008 Summer Concerts by adding \$20,000 CBDRF –
(\$29,800 total - \$9,800 of Arts Funds; \$20,000 CBDRF)

Decrease total of table from \$17,489,511 to \$17,189,511.

Table 2- Community Development Block Grant, Emergency Shelter Grant, and Home Funds

Decrease:

211308 CHS Capital Improvements - \$25,000 CDBG
(from \$75,000 to \$50,000)
610108 Housing Initiatives - \$25,000 CDBG
(from \$150,000 to \$125,000)
611608 Neighborhood Pride – Business Incentives - \$25,000 CDBG
(from \$150,000 to \$125,000)

Add:

411608 Weed N’ Seed \$50,000 CDBG

and add under notes “Also Funded in Table 3”
511008 Martineau Park - Add under notes

“Any remaining funds from project to be applied towards design and engineering of playground at West Junior Deb Field”

Increase:

211408 CHS Child Health Services \$25,000 CDBG
(from \$44,000 to \$69,000)

Table 3- City Cash

Remove:

510008 Summer Concerts - \$20,000 Cash
510608 Rockingham Recreational Trail - \$80,000 Cash
612108 Manchester Area Convention & Visitors Bureau - \$80,000 Cash

Decrease:

211408 CHS Child Health Services - \$7,000 Cash
(from \$75,000 to \$68,000)
511308 Millyard Maintenance - \$10,000 Cash

Add:

511508 Weston Street Neighborhood Park \$16,000 Cash
511608 Veterans Park Memorial Repairs \$10,000 Cash
new # Chronic Drain (Highway Dept.) \$66,000
810508 Employee Training & Development \$19,500 Cash

(Note: HR to work with Library for the development of an in-house newsletter)

810608 Motor Vehicle Registration System - \$140,000 Cash

Increase:

411608 Weed N' Seed - \$16,500 Cash
and add the following notation "Also Funded in Table 2"

Alderman Smith duly seconded the motion.

A roll call vote was taken. Aldermen Garrity, Gatsas and Pinard voted nay. Aldermen Smith, Thibault, Forest, Roy, Long, Duval, Osborne, O'Neil, Lopez, Shea and DeVries voted yea. The motion carried.

On motion of Alderman Thibault, duly seconded by Alderman Smith, it was voted that the Resolution pass and be Enrolled as amended. None were recorded in opposition.

21. Appropriating Resolution:

"A Resolution appropriating to the Manchester Airport Authority the sum of \$58,865,030 from Special Airport Revenue Funds for Fiscal Year 2008."

On motion of Alderman Roy, duly seconded by Alderman O'Neil, it was voted to read by title only and it was so done.

Deputy City Clerk Johnson advised that the Airport had not requested any change in the resolution. Airport Director Kevin Dillon so concurred.

Alderman O'Neil moved that the Resolution pass and be Enrolled. Alderman Thibault duly seconded the motion. There being none opposed the motion carried.

22. Appropriating Resolution:

"A Resolution appropriating the sum of \$15,007,892 from Sewer User Rental Charges to the Environmental Protection Division for Fiscal Year 2008."

Alderman O'Neil moved to read the resolution by title only. Alderman Roy duly seconded the motion. There being none opposed the motion carried and it was so done.

Deputy City Clerk Johnson stated to her knowledge there were no requested amendments. Frank Thomas, Public Works Director so concurred.

Alderman O’Neil moved that the Resolution pass and be Enrolled. Alderman Shea duly seconded the motion. There being none opposed, the motion carried.

23. Appropriating Resolution:

“A Resolution appropriating to the Parking Fund the sum of \$5,299,591 from Parking for the Fiscal Year 2008.”

On motion of Alderman Roy, duly seconded by Alderman O’Neil, it was voted to read the resolution by title only and it was so done.

Deputy City Clerk Johnson noted there was a handout distributed to the Board and it was recommended by the Mayor to change items. Totals to change on the resolution were as follows:

Salaries and Wages from 606,459 to 582,685
Line Item Expenses from 3,033,600 to 3,047,750
Restricted – Employee Benefits from 312,361 to 356,678
Grand Total from 5,299,591 to 5,434,283

Alderman Pinard moved to amend the resolution to the numbers stated by the Deputy City Clerk. Alderman Shea duly seconded the motion.

Alderman O’Neil stated I was not following along on this handout we have, asking if there was another handout, and what was the justification for the changes.

Mayor Guinta stated there were some changes that had been made at the request of Brandy Stanley.

Alderman Gatsas stated we are looking to change a \$5 million number without any justification from anybody just saying that somebody says we should do it, and you look at the last page of what we were given and it shows 240 million dollars, is that a correct number.

Mayor Guinta asked what number he was referring to.

Alderman Gatsas stated the last page, is that a correct number.

Alderman O’Neil stated I’m not sure we got the handout they wanted us to get, I don’t know what Carol was reading from but I don’t think I have the same thing.

Deputy City Clerk Johnson stated the numbers that I’m reading off are numbers that combined, all of the salaries and wages that are on that handout...the handout breaks it out by line item, if you look at the columns I believe the columns on there show the differences from the Mayor’s original proposal to the Mayor’s current recommended, and those would

show you the changes by line item. We had to combine line items for the resolution because the resolution only contains six items.

Alderman Gatsas stated back to my original question. If these numbers total \$201,000 then we have a problem with our budget. It was clarified as \$201 million. Asking if that was in Alderman Lopez’s budget.

Alderman Lopez stated no, I think we should table the parking, this is an enterprise system, it doesn’t make sense.

Mayor Guinta concurred that this page was mislabeled.

Alderman Lopez moved to table the parking resolution until clearer numbers are provided. Alderman Shea duly seconded the motion.

Alderman Gatsas stated if Alderman Lopez is tabling this one because he is not sure of the numbers, aren’t some of those number incorporated in this budget that we have before us this evening.

Alderman Lopez replied no, none of those numbers.

Mayor Guinta called for a vote on the motion to table. There being none opposed the motion carried.

24. Appropriating Resolution:

“A Resolution appropriating the sum of \$2,253,110 from Recreation User Charges to the Recreation Division for Fiscal Year 2008.”

On motion of Alderman Lopez, duly seconded by Alderman Shea, it was voted to read by title only and it was so done.

Deputy City Clerk Johnson noted that there were changes to that resolution based on the handout earlier this evening.

Salaries and Wages	872,089 to 1,229,672
Line Item Expenses	580,889 to 835,338
Capital Outlay	10,000 remains the same
<u>Restricted funds –</u>	
Employee Benefits	249,389 to 404,797
Insurance	55,834 to 82,323
Debt	475,909 to 679,834
Audit	9,000 to 10,000
Contingency	0 to 50,000
TOTAL	2,253,110 to 3,301,964

Alderman Lopez moved to amend the resolution to the number presented and that the Mayor and Finance Officer work together for a 3 to 5 year plan on the debt. Alderman Pinard duly seconded the motion. The motion carried with none recorded in opposition.

On motion of Alderman Lopez, duly seconded by Alderman Forest, it was voted that the appropriating resolution pass and be Enrolled as amended.

25. Appropriating Resolution:

“A Resolution appropriating to the Manchester Transit Authority the sum of \$1,176,714 for the Fiscal Year 2008.”

On motion of Alderman Thibault, duly seconded by Alderman Roy, it was voted to read by title only and it was so done.

Deputy City Clerk Johnson advised she knew of no amendments to this resolution.

Alderman O’Neil moved that the appropriating resolution pass and be Enrolled. Alderman Roy duly seconded the motion.

Alderman Roy noted that he was going to ask to table this item pending the outcome of some changes with routes but Mr. Smith has offered to work with me and keep the constituents of Ward 1 happy so I will support this number.

Mayor Guinta called for a vote. There being none opposed the motion carried.

26. Appropriating Resolution:

“A Resolution appropriating to the Manchester School District the sum of \$147,250,000 for the Fiscal Year 2008.”

Deputy City Clerk Johnson advised that there was a related resolution distributed that she would look to have read by title only.

“A Resolution providing for changes to the Manchester School District Health Maintenance Expendable Trust.”

Alderman Lopez moved to read the resolution by title only. Alderman Thibault duly seconded the motion. There being none opposed the motion carried and it was so done.

Alderman Lopez moved that the Resolution be adopted. Alderman Smith duly seconded the motion.

Alderman Garrity stated so by voting for this it would be using \$2.2 million in one time funds in the school district.

Mr. Ludwell responded that is correct.

Alderman Gatsas stated I thought we had a discussion a little while ago about how we needed to build a reserve in our medical account, yet for schools it's a little different. We are going to take the money out of there and stick it in the one time account with smoke and mirrors again, and we are going to spend it. Now how does it not fit on one side and it fits on the other. It doesn't make any sense to me because we are back to smoke and mirrors again.

Alderman Lopez asked to speak.

Mayor Guinta stated he would like some decorum from the members. There has been a roll call requested we are going for the roll call period. Roll call Alderman Garrity.

Alderman Lopez stated you won't accept a parliamentary.

Mayor Guinta stated we are going to the roll call.

Alderman Lopez stated he appealed to the Board. Alderman Roy seconded the motion.

Mayor Guinta stated he was not accepting that.

Solicitor Clark stated he had to accept the appeal, as set out in the rules.

Alderman O'Neil noted that if His Honor would allow Alderman Lopez answer the question we could get on with this thing, not going through this appealing to the Board. He just wanted to respond to Alderman Gatsas.

Mayor Guinta stated I know he did and we need to move this along, so what is your response Alderman Lopez.

Alderman Lopez stated my response to Alderman Gatsas is on the school side they only can have trust funds they cannot have reserve funds and that can be verified by the Finance Officer, on the city side we have reserve funds, that was the clarification I wanted to make.

Mayor Guinta requested the roll call proceed.

A roll call vote was taken. Alderman Garrity and Gatsas voted nay. Aldermen Smith, Thibault, Forest, Roy, Long, Duval, Osborne, Pinard, O’Neil, Lopez, Shea, and DeVries voted yea. The motion carried.

Mayor Guinta asked if that completed item 26.

Deputy City Clerk Johnson advised not quite Your Honor, noting that the school district resolution needed to be addressed and suggested reading by title only.

On motion of Alderman Thibault, duly seconded by Alderman DeVries, it was voted to read Item 26, the School District Appropriating resolution by title only and it was so done.

Alderman Thibault moved that the appropriating resolution pass and be Enrolled. Alderman Forest duly seconded the motion. The motion carried with none recorded in opposition.

27. Appropriating Resolution:

“A Resolution appropriating to the Manchester School Food and Nutrition Services Program the sum of \$5,898,950 from School Food and Nutrition Services Revenues for Fiscal Year 2008.”

On motion of Alderman Roy, duly seconded by Alderman O’Neil, it was voted to read by title only and it was so done.

Alderman Thibault moved that the Appropriating Resolution pass and be Enrolled.

Alderman Shea duly seconded the motion. There being none opposed the motion carried.

28. Appropriating Resolution:

“Raising Monies and Making Appropriations for the Fiscal Year 2008.”

On motion of Alderman Roy, duly seconded by Alderman O’Neil, it was voted to read by title only and it was so done.

Deputy City Clerk Johnson stated that there were amendments as outlined earlier by Alderman Lopez. It would make the total of the resolution \$121,108,008 reflected in the handout with changes to City Clerk, Youth Services, Police, Highway, Library, and with the restrictions contained in the handout with regards to Police and Contingency amounts. The motion would be to amend the resolution to the numbers presented.

Alderman Lopez asked if they had to make an amendment to this amendment now, there seemed to be some concern about adding \$35,000 for Jack Sheridan who had done such an outstanding job. Do we do that now or later.

Deputy City Clerk Johnson replied you can add that to this handout if you just want to outline it we can take it all in one motion if you tell me what your looking to do.

Alderman Lopez stated there are two motions and the money would come from the Health Insurance account.

Deputy City Clerk Johnson stated so we are reducing the Health Insurance Account by \$35,000.

Alderman Lopez stated by \$185,000 and \$35,000 would go to Human Resources, and \$150,000 would increase the Contingency to \$500,000, and that would leave the Health Insurance at \$10,432,125.

Finance Officer Sanders stated he had confirmed the number as 10,432,125 with the removals.

Alderman Lopez noted the amounts again and stated it did not change the bottom line.

Deputy City Clerk Johnson stated so the motion would be to amend the resolution total to \$121,108,008 with all of the items earlier this evening plus the additional changes just noted adding the \$35,000 to Human Resources, reducing Health Insurance by \$185,000 to \$10,432,125, and Contingency would now be at \$500,000 by adding \$150,000.

Alderman Lopez so moved to amend the resolution to \$121,108,008 with changes referenced by the Clerk in the budget handout, with restrictions previously noted for Police and Contingency, and making the additional changes outlined totaling \$185,000. Alderman DeVries seconded the motion.

Alderman O'Neil requested clarification on the reduction of the Health Insurance line item on the handout.

Deputy City Clerk Johnson advised \$10,432,125.

Alderman O'Neil stated changing contingency to \$500,000, and what else.

Deputy City Clerk Johnson responded HR above, right below Youth Services increasing that by \$35,000, for 887,468.

A roll call vote was taken on the motion to amend the resolution. Aldermen Gatsas, Pinard and Garrity voted nay. Aldermen Long, Duval, Osborne, O'Neil, Lopez, Shea, DeVries, Smith, Thibault, Forest, and Roy voted yea. The motion carried.

Alderman Shea moved that the Appropriating Resolution pass and be Enrolled as amended. Alderman DeVries duly seconded the motion. The motion carried with Aldermen Gatsas and Garrity duly recorded in opposition.

29. Appropriating Resolution:

“Appropriating all Incremental Meals and Rooms Tax Revenue Received by the City in Fiscal Year 2008 and held in the Civic Center Fund, for the payment of the City’s Obligations in Said Fiscal Year Under the Financing Agreement.”

On motion of Alderman DeVries, duly seconded by Alderman Roy, it was voted to read by title only and it was so done.

Alderman Forest moved that the appropriating resolution pass and be Enrolled. Alderman DeVries duly seconded the motion. There being none opposed the motion carried.

30. Appropriating Resolution:

“A Resolution appropriating to the Central Business Service District the sum of \$244,000 from Central Business Service District Funds for Fiscal Year 2008.”

31. Resolution:

“Continuation of the Central Business Service District.”

Deputy City Clerk Johnson advised that Items 30 and 31 needed to be placed on the table pending report from the Central Business District Advisory Board.

On motion of Alderman Long, duly seconded by Alderman Thibault, it was voted to table both resolutions pending report from the CBSD. None were recorded in opposition.

32. Report of the Committee on Bills on Second Reading recommending that Ordinance:

“Amending the Zoning Ordinance of the City of Manchester by extending the B-2 (General Business) zoning district to include property currently zoned IND (Industrial) located on the south side of Gold Street east of the former Lawrence Branch of the B&M Railroad and including the following three lots Tax Map 875-14, 875-15, 875-16.”

ought to pass.

*(Aldermen Duval, Lopez, Garrity and Pinard recorded in favor; Alderman Gatsas opposed.)
(Tabled 09/05/2006)*

This item remained on the table.

33. Report of the Committee on Bills on Second Reading recommending that Ordinance:

“Amending the Zoning Ordinance of the City of Manchester by extending the R-3 (Urban Multi-family) zoning district to include property currently zoned R-1B (Single-family) located on a portion of Tax Map 691 Lot 143-1 that will be on the north side of a proposed Gold Street Bypass and adjacent to Bradley Street and the New St. Augustin’s Cemetery.”
ought to pass.

*(Aldermen Duval, Lopez, Garrity and Pinard recorded in favor; Alderman Gatsas opposed.)
(Tabled 09/05/2006)*

This item remained on the table.

**34. Communication from Randy Sherman, Deputy Finance Officer, updating the Board on status of payments due the City on the Bridge and Elm project.
(Tabled 04/03/2007)**

This item remained on the table.

35. NEW BUSINESS

UNH Cooperative Extension, Brookside International Community Garden request for funding assistance in the amount of \$1,150.00

Alderman Roy submitted the above referenced communication which was distributed to members of the Board noting the request was for the community gardens located behind Brookside Congregational Church but they would find from the letter that it serves some of our newest constituents throughout the city, and he was requesting they refer this to CIP or fund it from Contingency. Alderman Roy noted the project has been grant funded in the past and fell kind of prey like the street sweeper funds and they are in jeopardy of not being able to get underway, and so he asked the Board pass it from contingency and send it next year to CIP.

Alderman Roy so moved to approve transfer from contingency of \$1,150 for such purpose. Alderman Long duly seconded the motion. The motion carried with none recorded in opposition.

Alderman Gatsas moved to move \$1.25 Million into the Insurance Reserve Fund.

Mayor Guinta asked from where.

Alderman Gatsas responded from the savings we just got tonight.

Mayor Guinta asked if Alderman Gatsas would be more specific.

Alderman Gatsas stated we just saved tonight from the Health Insurance Plan, I am looking to put in \$1.2 million into that reserve account.

Alderman Shea noted the Clerk wished to address something.

Alderman Gatsas added to the motion effective July 1, 2007.

Alderman Garrity seconded the motion to move the \$1.2 million from the Health Insurance line to the Health Insurance Reserve Fund effective July 1, 2007.

Alderman Shea requested a roll call stating he would vote no for that it's just kind of kicked around.

Alderman Lopez stated he felt there should be some discussion from the Finance Officer and maybe a procedural from the City Clerk in reference to the motion. Alderman Lopez stated the question he had for the Finance Officer in putting in the health insurance reserve, I think if I recall there is a procedure for doing that at the end of the year, I believe there is an ordinance that stipulates that you put 25% or you try to get to 25%. We have \$500,000 now, so I don't think it is a wise move to do anything because it is going to go into that account at the end of the year.

William Sanders, Finance Officer, responded any surplus that is in that line item would go into the reserve account at the end of the year. If we put it in at the beginning of the year, assuming that's permitted, I think it probably is, to the extent that we were short at the end of the year because we had put it into the reserve we could take the money out of the reserve to pay claims.

Alderman DeVries asked the opinion of Finance, what is the level of funding that you would expect to see in that reserve account.

Mr. Sanders responded when we established the school's funds we said 25% you would have to get up to 25% in the fund, and at one point the city was up to \$1.9 million in that fund and then in the last couple years it's been drawn down. 25% of \$10 million, about \$2.5 million in the fund.

Alderman Shea withdrew his roll call.

Alderman DeVries moved to table. Alderman Lopez duly seconded the motion. The motion carried with none recorded in opposition.

Mayor Guinta advised that there was no new information to discuss with the Chief Negotiator.

Alderman O'Neil asked that the negotiator was working to get the contracts settled.

Mayor Guinta advised that he was.

On motion of Alderman Pinard, duly seconded by Alderman Garrity, it was voted to adjourn.

A True Record. Attest.

City Clerk